Introduced by Committee on Agriculture (Matthews (Chair), Maze (Vice Chair), Canciamilla, Cogdill, Parra, Salinas, and Vargas)

February 24, 2006

An act to amend Sections 33221, 33222, 33223, 33224, 33225, 33226, 33251, 33252, 33257, 33261, 33262, 33263, 33264, 33291, 33292, 33296, 33297, and 33298 of, and to add Section 33228 to, the Food and Agricultural Code, relating to milk inspection services.

LEGISLATIVE COUNSEL'S DIGEST

AB 2906, as introduced, Committee on Agriculture. Milk inspection services.

Existing law requires that various persons engaged in the business of producing, processing, distributing, or transporting market milk to obtain a permit from the Secretary of Food and Agriculture, as specified. Existing law provides that prior to issuance of that permit, an inspection of the dairy, milk products plant, business, or tanker truck, for which a cost-related inspection fee shall be paid.

This bill would require persons engaging in the business of cleaning or sanitizing bulk milk tanker trucks to obtain a permit from the secretary. This bill would provide that bulk milk tanker trucks shall only be cleaned or sanitized at a facility holding such a license or at a licensed milk products plant or dairy farm. This bill would require bulk milk tanker truck cleaners or sanitizers to be inspected and would provide that the secretary may establish a cost-related fee for inspection.

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Because it is a crime to interfere with the enforcement of these provisions this bill would increase the scope of an existing crime, thereby imposing a state-mandated local program.

This bill would make numerous other technical, nonsubstantive, and conforming changes.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 33221 of the Food and Agricultural 2 Code is amended to read:
- 3 33221. As used in this article, "permit" means a permit—which that is issued pursuant to Section 33222.
- 5 SEC. 2. Section 33222 of the Food and Agricultural Code is 6 amended to read:
- 33222. Every person, before engaging in the business of producing market milk, shall obtain a permit from the director secretary or from the approved milk inspection service—which that is maintained by the county—which is designated by the director pursuant to this chapter for each dairy farm.
- SEC. 3. Section 33223 of the Food and Agricultural Code is amended to read:
 - 33223. If a permit is issued by an approved milk inspection service designated by the <u>director</u> secretary to a producer of market milk, no other permit shall be required of the producer by any other approved milk inspection service.
- SEC. 4. Section 33224 of the Food and Agricultural Code is amended to read:
- 20 33224. Upon receipt of an application for a permit, the director secretary or approved milk inspection service shall cause
- 22 an investigation to be made of the dairy farm where milk is
- 23 produced and of the herd-which that produces the milk.

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SEC. 5. Section 33225 of the Food and Agricultural Code is amended to read:

33225. If this division and the standards—which that are established by or adopted pursuant to the authority—which that is granted in this division are complied with, and the applicant's milk is to be delivered within a county which maintains an approved milk inspection service, a permit shall be issued by the director secretary or the approved milk inspection service, to the dairy farm. The permit shall be issued for a period not to exceed one year.

SEC. 6. Section 33226 of the Food and Agricultural Code is amended to read:

33226. Every person shall obtain a permit from the-director secretary before engaging in the business of processing or distributing market milk. Upon receipt of an application for a permit, the-director secretary shall cause an investigation to be made of the milk products plant or place of business from which milk is distributed. If this division and the standards-which that are established pursuant to the authority-which that is granted in this division are complied with, a permit shall be issued by the director secretary to the milk products plant or place of business. The permit shall be issued for a period not to exceed one year.

SEC. 7. Section 33228 is added to the Food and Agricultural Code, to read:

33228. (a) Any person, before engaging the business of cleaning or sanitizing bulk milk tanker trucks shall obtain a bulk milk tanker truck cleaning or sanitizing permit from the secretary for each facility not attached to a licensed milk products plant or market milk dairy farm that is used in the cleaning or sanitizing of bulk milk tanker trucks.

- (b) Bulk milk tanker trucks shall be cleaned or sanitized only at a facility holding a valid bulk milk tanker truck cleaning facility permit, a licensed milk products plant, or a permitted market milk dairy farm.
- (c) Upon receipt of an application for a bulk milk tanker truck cleaning facility permit, the secretary shall cause an inspection to be made of the facility. If this division and the standards that are established pursuant to the authority that is granted in this division are complied with, a permit shall be issued by the secretary to the bulk milk tanker truck cleaning or sanitizing

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facility or place of business. The permit shall be issued for a period not to exceed one year.

- (d) The secretary shall establish a cost-related inspection fee for the inspection and permitting of bulk milk tanker truck cleaning or sanitizing facilities not attached to a licensed milk products plant or market milk dairy farm.
- SEC. 8. Section 33251 of the Food and Agricultural Code is amended to read:
- 33251. The county—which that maintains an approved milk inspection service where an inspection fee is levied and collected shall determine the actual cost of making an inspection of a dairy farm—which that produces market milk within the area—which that is designated and assigned to that service by the—director secretary. Records of the cost determination shall be made and maintained by the county for examination by the director or other interested person.
- SEC. 9. Section 33252 of the Food and Agricultural Code is amended to read:
- 33252. For the purpose of maintaining an approved milk inspection service, the county may, but is not required to, levy and collect an inspection fee or fees from producers of market milk-which that is produced at dairy farms within the area-which that is designated and assigned to that service by the director.
- SEC. 10. Section 33257 of the Food and Agricultural Code is amended to read:
- 33257. If an approved milk inspection service inspects a dairy farm, the dairy farm inspection fee, if levied, shall be collected from the producer of market milk—which that is produced on the dairy farm.
- SEC. 11. Section 33261 of the Food and Agricultural Code is amended to read:
- 33261. Charges—which that are made by any approved milk inspection service for inspection fees are subject to audit by the director, and for this purpose the director shall have access to all books, papers, records, or documents—which that pertain to any and all transactions of any approved milk inspection service and may inspect and copy them in any place within the state.
- 38 SEC. 12. Section 33262 of the Food and Agricultural Code is amended to read:

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33262. Ten percent of the producers within any approved inspection area may file with the director a written protest as to the reasonableness of any inspection fee which that is levied and collected from the producer pursuant to Section 33252.

SEC. 13. Section 33263 of the Food and Agricultural Code is amended to read:

33263. The director secretary shall, after 30 days' public notice of the hearing, and after five days' written notice to any approved milk inspection service which that is concerned, hold a hearing on the protest. The director secretary may deny, postpone, or consolidate hearings for good cause. The director secretary shall provide in writing the reasons for the denial, postponement, or consolidation of hearings.

SEC. 14. Section 33264 of the Food and Agricultural Code is amended to read:

33264. Upon the completion of hearing, the director secretary may establish a reasonable fee for the inspection which that is the subject of the protest. Thereafter until the order of the director secretary is revoked, suspended, or amended, the producer, notwithstanding any other provision of this article, is not required to pay to the approved milk inspection service any inspection fee in excess of the fee which that is designated as reasonable by the director secretary. The director secretary shall make, and maintain, written findings upon which inspection fees are established pursuant to this section. The written findings shall be readily available to any interested person for examination.

SEC. 15. Section 33291 of the Food and Agricultural Code is amended to read:

33291. Every person that is engaged in the production of market milk outside the jurisdiction of an approved milk inspection service and every person engaged in the processing, manufacture, or distribution of milk, milk products, or products resembling milk products, in the cleaning or sanitizing of bulk milk tanker trucks, or in the processing, manufacture, or freezing of ice cream, ice milk, sherbet, or any similar frozen product shall pay a cost-related inspection fee to the secretary.

SEC. 16. Section 33292 of the Food and Agricultural Code is amended to read:

39 33292. Every milk products plant that is subject to this 40 chapter shall deduct from payments which that are due producers

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1 for market milk, and shall pay to the director secretary, the fee 2 required to be paid by the producer.

3 SEC. 17. Section 33296 of the Food and Agricultural Code is amended to read:

33296. The <u>director</u> secretary shall make, and maintain, written findings upon which inspection fees are fixed pursuant to Sections 33294 and 33295. The written findings shall be readily available to any interested person for examination.

SEC. 18. Section 33297 of the Food and Agricultural Code is amended to read:

33297. Any person subject to inspection fees provided for in Section 33291 may file with the director secretary a written protest as to the reasonableness of any inspection fee which that is levied and collected from those persons.

The director shall, after 30 days' notice, hold a hearing on the protest and upon completion of the hearing, the director secretary shall make and maintain written findings as to whether or not the fee is reasonable.

SEC. 19. Section 33298 of the Food and Agricultural Code is amended to read:

33298. The director secretary shall establish plan review fees for sanitary design and construction review activities relating to milk product plants and frozen milk product plants pursuant to Chapter 6 (commencing with Section 33701). The fees shall not exceed the actual direct costs required to perform sanitary design and construction plan checks. Any money collected by the director secretary pursuant to this section shall be paid into the Department of Food and Agriculture Fund.

SEC. 20. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.